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BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS SUSAN W. NEEDHAM  
(OCA/USPS-T8-38-40)  
(July 31, 1996)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits an interrogatory and a request for production of documents. Instructions included with OCA Interrogatories 1-4 to the United States Postal Service dated June 19, 1996, are hereby incorporated by reference.

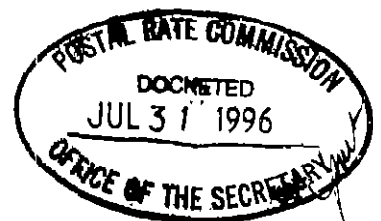
Respectfully submitted,

*Gail Willette*

GAIL WILLETTE  
Director  
Office of the Consumer Advocate

*David Ruderman*

DAVID RUDERMAN  
Attorney



OCA/USPS-T8-38. A comparison of the Postal Service's proposed indemnity fees for insurance at pages 45-48 of your testimony and of the insurance fees of competitors at pages 4-5 of LR-SSR-109 shows that the Postal Service's proposed fees are higher than all of the competitors, sometimes significantly higher (e.g., \$45.70 v. \$17.15 for RPS and UPS at the \$5,000 level).

At page 53 of your testimony, you state "so if the [insurance] fee is not consistent with the price the market can bear, customers will use the abundant postal and alternative delivery options which are currently available."

- a. Your statement seems incompatible with the actual fees you propose. Considering the "abundant" alternatives, please explain why customers would choose to use Postal Service insurance rather than the competitors.
- b. Please explain what you mean by "the price the market can bear."

OCA/USPS-T8-39. Please refer to LR-SSR-104, Return Receipts Cost Study Update, pages 8-9.

- a. Is the source for the "Time Mins." columns (both main tables and footnotes) Library Reference F-180 from Docket No. R90-1? If not, please provide the source.

OCA/USPS-T8-38. A comparison of the Postal Service's proposed indemnity fees for insurance at pages 45-48 of your testimony and of the insurance fees of competitors at pages 4-5 of LR-SSR-109 shows that the Postal Service's proposed fees are higher than all of the competitors, sometimes significantly higher (e.g., \$45.70 v. \$17.15 for RPS and UPS at the \$5,000 level).

At page 53 of your testimony, you state "so if the [insurance] fee is not consistent with the price the market can bear, customers will use the abundant postal and alternative delivery options which are currently available."

- a. Your statement seems incompatible with the actual fees you propose. Considering the "abundant" alternatives, please explain why customers would choose to use Postal Service insurance rather than the competitors.
- b. Please explain what you mean by "the price the market can bear."

- b. What is the date of the original cost study? Have any procedures measured by the study changed in the years since the original study? If so, explain how they have changed.
- c. Provide the source for the volumes in footnote (1).

OCA/USPS-T8-40. Please refer to your testimony at page 87 concerning merchandise return receipt service.

- a. Please explain why it is necessary to "clearly exclude documents" from this service?
- b. Has the Postal Service encountered problems with this service or its customers? If so, please explain. If not, why do you need to "limit" this service?
- c. Can merchandise be sent by First-Class Mail under 12 ounces? If so, why are you proposing to prohibit someone using First Class Mail from using this service.
- d. At present, all of former third-class mail (now Standard) is eligible for this service. Your proposal excludes all Standard Mail except single piece from this service. Please explain why.
- e. Has the Postal Service considered publishing a definition of "merchandise"? Why or why not? Would this help alleviate any problems?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.



DAVID RUDERMAN  
Attorney

Washington, DC 20268-0001  
July 31, 1996